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July 22, 2004

Mary Cottrell, Secretary
Department of Telecommunications and Energy
One South Station, Second floor
Boston, MASS. 02110

RE: Default Service Procurement for Small Customers, D.T.E. 04-115

Dear Secretary Cottrell:

Enclosed for filing are an original and ten copies of the Comments following Technical Conference of Massachusetts Community Action Program Directors' Association, Inc. (MASSCAP) in this docket.

By this letter, MASSCAP seeks leave to file hard copies of these Comments one business day late, while timely filing in electronic format.

Please contact me with any questions.

Sincerely,

Massachusetts Community Action Program Directors' Association, Inc.

By its attorney,

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND UTILITIES

Procurement of Default Service Power Supply for Residential and Small Commercial and Industrial Customers	))))	D.T.E. 04-115

COMMENTS FOLLOWING TECHNICAL CONFERENCE OF MASSACHUSETTS COMMUNITY ACTION PROGRAM DIRECTORS' ASSOCIATION, INC. (MASSCAP)

These are the post-Technical Session Comments of Massachusetts Community Action Program Directors' Association, Inc. (MASSCAP), as directed by the Commission.[1]

Summary

In these Comments, MASSCAP:

- examines claims of success in residential market experiments, including the claims of benefits to residential customers, concluding that residential electricity competition has failed worldwide to provide consumer benefits,
- explores means of achieving price stability for residential customers, addressing the standard objection that long-term contracts risk stranded costs, concluding that short-term contracts alone are not financially prudent, and
- addresses the wish list of ideas from those who wish to jump-start residential competition, examining the experience thus far in New York State, concluding that this Commission has thus far maintained the wiser course of a level playing field that neither subsidizes nor penalizes potential retail competitors.

[1] Hearing Officer's Notice (June 22, 2005); Tr. 1 at 10.

Residential market experiments

Despite claims for the success of competitive retail residential electricity markets,[2] there are few states where more than a handful of residential customers have found enough value in competitive offerings to actually subscribe to them. One key reason for this was identified by Mr. Cornwell of Dominion:[3]

> MR. CORNWELL: … residentials and small commercial customers are very sticky. Once you get them to switch, once the value proposition is known and they switch, they typically stay with me six to eight years.
>
> * * *
>
> We typically have a very high renewal rate, 90 percent typically.
>
> * * *
>
> CHRM. AFONSO: Let me build on that a bit. In theory, though, in a fully competitive market, should I now want that person to switch to Select or Dominion, the first entity, what good is the marketplace if in fact there's no switch rate after that? In theory, shouldn't the competitive suppliers be bidding against each other to get that customer which you work hard to keep for six, seven years? But is it a success in theory -- or reality, I guess -- if they stay with you? What does that mean for the competitive marketplace, if in fact there's just one switch rate and that's it?

And, one might add, what is the consumer gain if long-term utility customers are converted to become long-term retailer customers at a higher price?

In the few states where customers have switched in relatively large numbers, it is not because they received benefits from deregulation. In fact, residential customers in these states are worse off than before deregulation.[4] Texas, Ohio, New York, the United Kingdom, and the Nordic pool are the "success stories" usually mentioned, so it is worth a closer look at the residential experiences in those places.

Texas

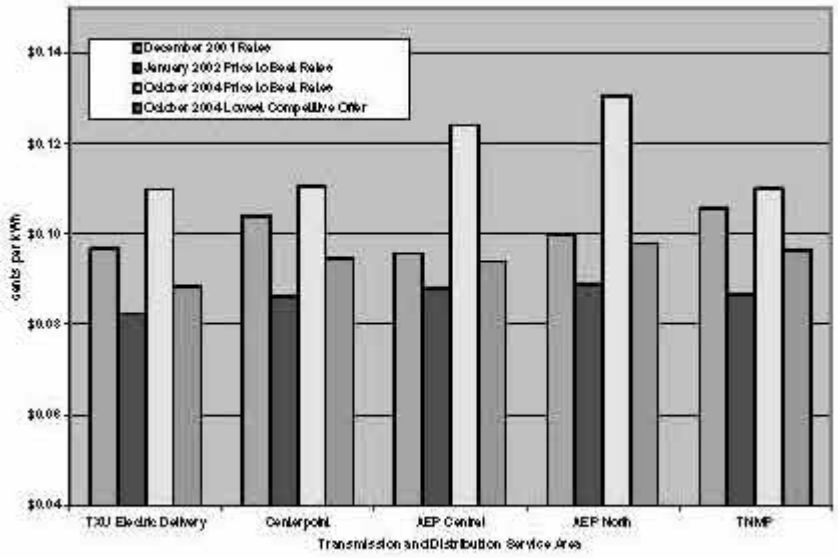
Electricity deregulation moved Texas from below the national average of residential prices to above it. This was accomplished by allowing increases in the Texas Price to Beat – its version of Basic Service – to be based entirely on a natural gas price index, even though only about half of Texas electricity is generated with natural gas. The

[2] *E.g.*, Tr. 1 at 91, 105, 108-109, 195-197, 199, 214.
[3] Tr. 1 at 84, 86-88.
[4] Assistant Attorney General Rogers: "As far as residential and small commercial customers go, it's not working, and it's not working anywhere in the country." Tr. 1 at 42.

resulting 40 per cent price increase has been accompanied by abolition of the low-income discount – adding another 17 percent to low-income bills, proposals to tie electricity price to credit score,[5] and indictments alleging outright stealing at the ISO.[6]

Figures from the Public Service Commission's latest report on competition graphically tell the unhappy story.[7] Note that, according to the PUCT report, the regulated December 2001 rates are overstated because they include surcharges for past under-recovered fuel expenses.[8] Thus, the small advantages shown in the report's Figure 11 of the "lowest competitive offer" over regulated rates are in reality smaller or negative. In any event, as Figure 13 shows, few consumers benefit since the average price paid has risen from below the US average to above it.

Figure 11: Price to Beat vs. Lowest Competitive Offer by Service Territory



Source: Average Annual Rate Comparison for Residential Electric Service, PUC Electric Division

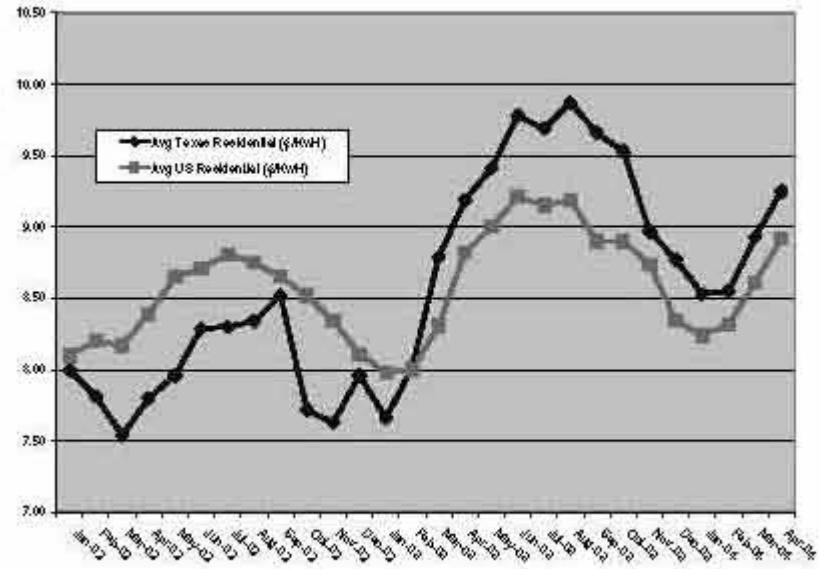
[5] A retailer at the Technical Conference admitted that credit scoring of the Massachusetts Electric residential customer list eliminated 57 percent of potential customers from consideration. Tr. 1 at 253 (Mr. Malkiewicz of MX Energy).

[6] *E.g.*, Associated Press, "Former ERCOT employee indicted again" (July 14, 2005); S. Reddy, "Utilities spark data debate/Customer payment histories may be used to set rates under new law," Dallas Morning News (June 30, 2005); R. A. Dyer, "Aid in electric fund set to shift," Fort Worth Star-Telegram (May 23, 2005); R. A. Dyer, "Electricity up more in deregulated areas," Fort Worth Star-Telegram (April 19, 2005); R. Smith, "Testing the results of electricity deregulation," Wall St. Journal (March 1, 2005) ("in Texas … the market is lively because the prices charged by utilities are unusually high, which gives rival suppliers a rate they can easily beat. *** Suppliers often levy extra fees – in some cases, even to call their help desks."); P. Slover and S. Reddy, "Records: ERCOT dealings lucrative/3 of six men charged in power grid case free on bail; three are fugitives," Dallas Morning News (Jan. 31, 2005).

[7] Texas Public Utilities Commission, "2005 Scope of Competition in Electric Markets in Texas," Figures 13 and 15 at 55, 57, www.puc.state.tx.us/electric/reports/scope/index.cfm.

[8] *Id.* At 54.

Figure 13: Average Monthly Residential Prices, Texas vs. United States, 2002 - 2004



Source: Department of Energy, Energy Information Administration, US Electric Utility Average Retail Price, http://www.eia.doe.gov/cneaf/electricity/page/at_a_glance/sales_tabs.html

Figure 11 also shows that there is a substantial price gap between basic service in Texas ("Price-To-Beat") and "competitive" prices. Assistant Attorney General Rogers explained how this came about:[9]

> Those states that claim that competition is working -- let's say Texas -- really, what we have is a price to beat that bears no relationship to the actual cost of power in the market. We're actually manipulating the price of basic service or default service in order to encourage people to transfer to another supplier. Whether they're better off or not is really suspect.
>
> * * *
>
> Last week we submitted a survey to the Commission. Specifically, Commissioner, 62 percent of the people who were asked said that they needed 10 to 29 percent off the total bill in order to stimulate them to shop for alternatives. So we're talking about 20 to 60 percent off of the energy portion. This is why you see the other states sort of manipulating the prices, because this is reality. People aren't going to waste their time for $5 a month. So I think it's time to recognize that fact. One of the ways we can do that is to reduce the volatility that we currently have in default service. We should use a laddered approach. It would be up to the Commission's discretion how long and how frequently, but I think we need to smooth out some of

[9] Tr. 1 at 42-43.

> the ups and downs and recognize that the utility is going to be the provider for the majority of residential and small commercial customers. We have to get away from the notion that basic service should be some kind of mean and nasty service that's designed to punish people who don't pick another supplier.

Constellation New Energy's Mr. Bessette was admirably candid at the Technical Conference: "Having the lowest price may not give you the ability to have those competitive alternatives."[10]

Ohio

Ohio customers do indeed save six percent by joining an aggregation, such as those mentioned in the Technical Session. However, the savings are financed with the customer's own money, via the utility, and must be repaid. The net result is that customers pay $3.21 for every dollar they "save."

Cleveland	cents per kWh	
"Shopping credit"		
From utility	3.37000	
From customer	1.51650	(deferred 5 years without carrying charge)
Total	4.88650	
Competitive price	4.59331	
Customer Saves	**0.29319**	**6.00%**
For which customer has paid, on a present value basis (10% discount rate)		
	0.94163	**3.21 x savings**
Net Customer Cost	**(0.64844)**	

Sources: PUCO, CEI, GMP, NOPEC

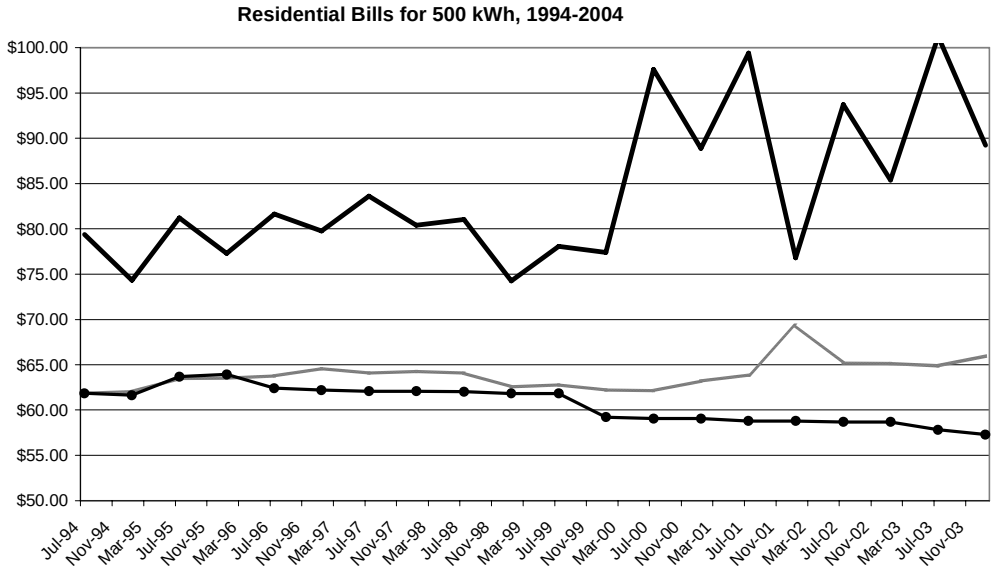
We agree with NStar that[11] "the cost of the service, the cost of basic service, should only reflect the actual cost of the service itself, should not be artificially increased or decreased to achieve a particular goal. So it should reflect the cost of the service in terms of commodity and procurement costs, et cetera. We think the Department has got it right in that area."

[10] Tr. 1 at 66.

[11] Tr. 1 at 247-248 (Mr. Daly). The Coalition put it this way: "Customers should not be forced to pay rates for Default Service that exceed the market-based, competitively established costs to serve them." Letter to Hon. Michael W. Morrisey, Senate Chairman, and Hon. Daniel E. Bosley, House Chairman, Joint Committee on Government Regulations (June 9, 2004) from Massachusetts Community Action Program Directors' Association, Inc. (MASSCAP), Massachusetts Energy Directors Association, Action Energy, Massachusetts Union of Public Housing Tenants, MASSPIRG, Utility Workers Union of America, TransCanada Power Marketing, Sempra Energy Trading, NSTAR, and Western Massachusetts Electric Co.

New York

As noted in the Technical Session, New York's deregulation was adopted by the Public Service Commission on a utility-by-utility basis. The most complete deregulation occurred Downstate in New York City and Westchester County. Consolidated Edison was allowed to pass wholesale market volatility straight through to residential customers with these results:



	Jul-94	Jan-95	Jul-95	Jan-96	Jul-96	Jan-97	Jul-97	Jan-98	Jul-98	Jan-99	Jul-99	Jan-00	Jul-00	Jan-01	Jul-01	Jan-02	Jul-02	Jan-03	Jul-03	Jan-04
Con Edison	$79.3	$74.3	$81.2	$77.2	$81.6	$79.7	$83.6	$80.4	$81.0	$74.2	$78.0	$77.4	$97.5	$88.8	$99.4	$76.8	$93.6	$85.3	$101.	$89.2
NiMo	$61.8	$62.0	$63.4	$63.5	$63.7	$64.6	$64.0	$64.2	$64.0	$62.5	$62.7	$62.2	$62.1	$63.2	$63.8	$69.3	$65.1	$65.1	$64.8	$65.9
RG&E	$61.8	$61.6	$63.7	$63.9	$62.4	$62.2	$62.0	$62.0	$62.0	$61.8	$61.8	$59.2	$59.0	$59.0	$58.8	$58.8	$58.7	$58.7	$57.8	$57.3

Source: NYDPS

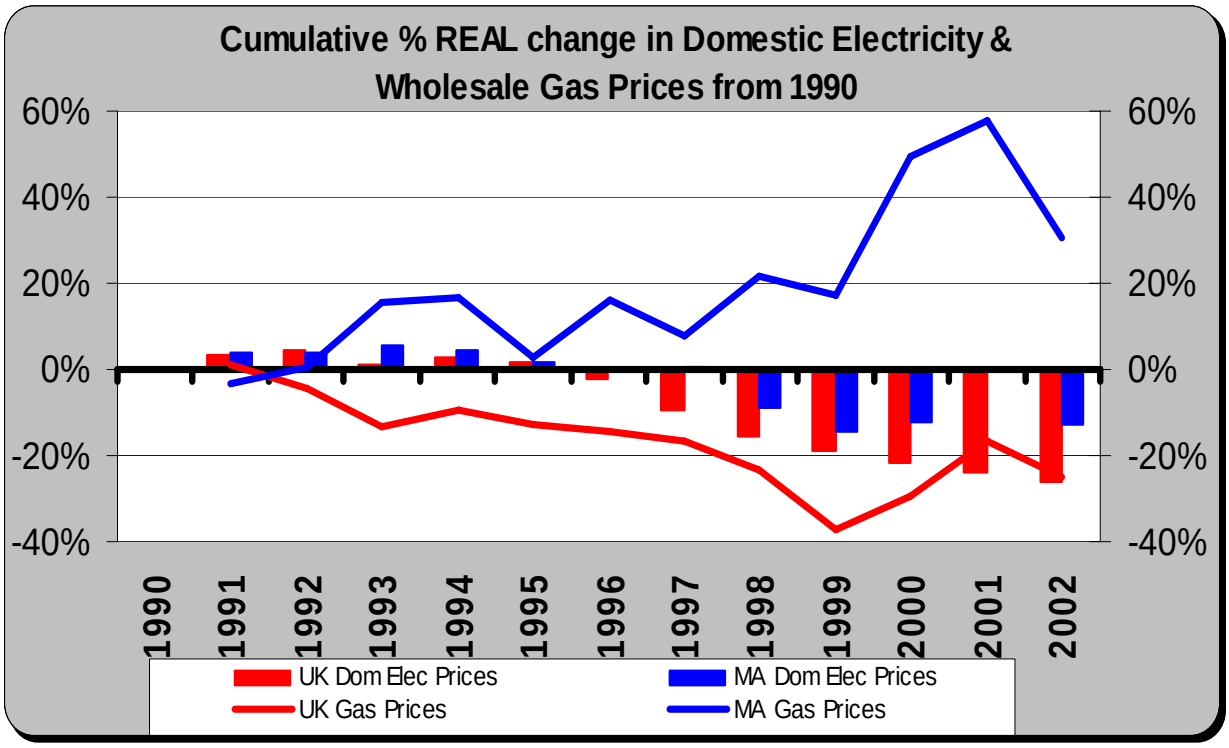
Jerrold Oppenheim www.DemocracyAndRegulation.com August 2004

Con Ed's rates (topmost line) rose 22 percent in four years, and spiked as much as 43 percent. Unfortunately, it appears that the current Niagara Mohawk Power Co. (NiMo) management – National Grid, owner of Massachusetts Electric Co. – now wants to emulate ConEd rather than its more stable neighbor, Rochester Gas & Electric Corp. (RG&E) (lowermost line).

United Kingdom

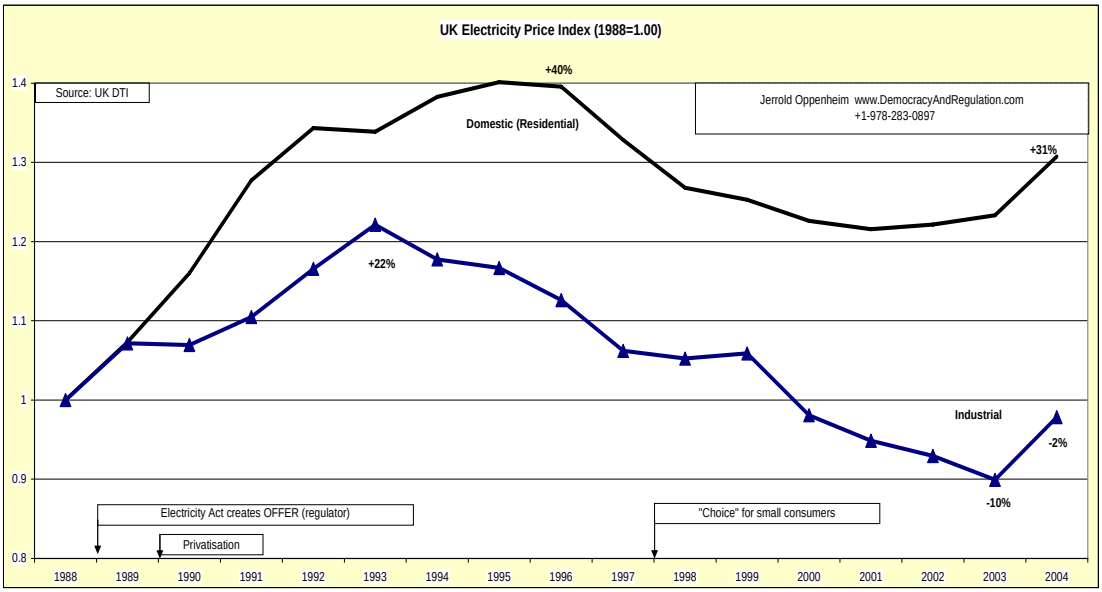
National Grid sometimes proudly shows off residential price reductions in the deregulated UK market:[12]

[12] Sharon Rodriguez, "Competition for small customers: Next Steps in Massachusetts" at slide 5 (Mass. Roundtable, Jan. 28, 2005). (The lower line and the left-hand bars represent UK gas and electricity respectively.)



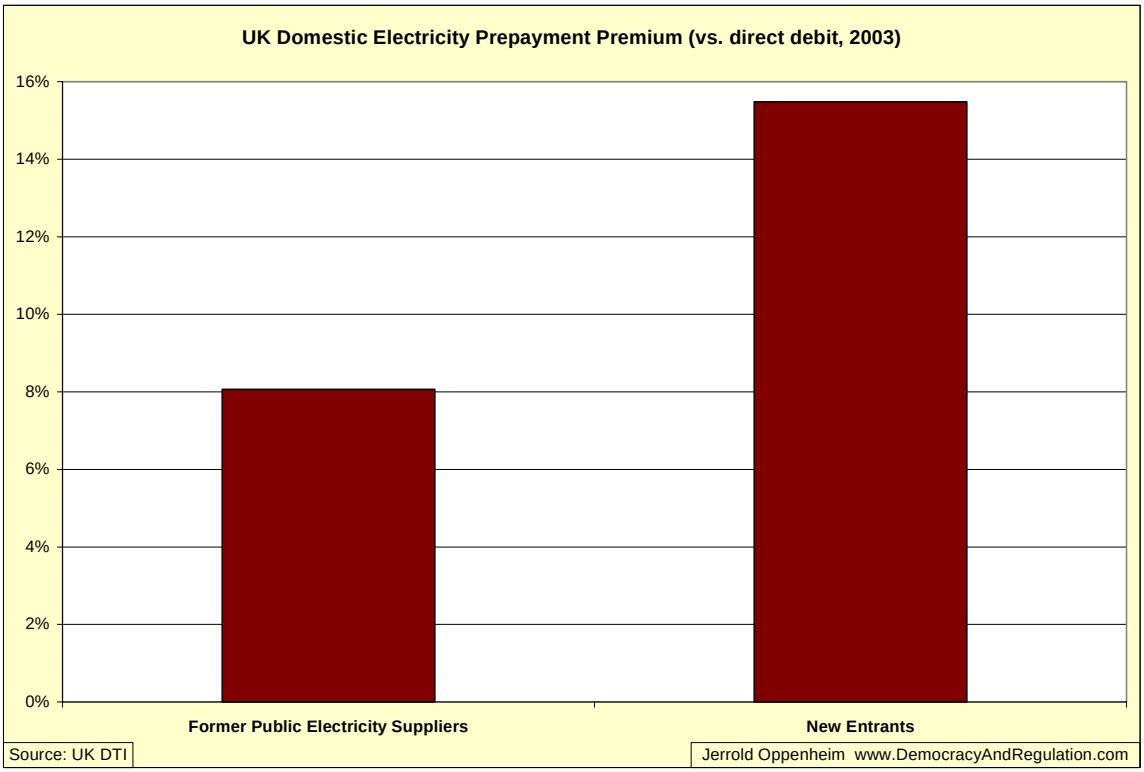
National Grid does concede, at least, that the fall in UK electricity prices (left-hand bars) essentially mirrored (albeit belatedly) the fall in UK gas prices (lower line).[13] However, it neglects to mention the substantial rate increase enacted earlier in order to promote the stock market flotation of the formerly state-owned, newly marketized electricity system. When those deregulation-related increases are revealed, the picture looks more like this:

[13] *Ibid.*



Thus the ten percent rate reduction asserted by National Grid[14] can only be calculated by measuring from the top of the price graph, a point that is six years after formal deregulation and ignores a 40 percent residential rate increase. In the UK, as elsewhere, industrial customers reaped rewards but residential customers are still paying more than they were prior to deregulation. Further, UK suppliers assess their poor-credit customers with prepayment meters, for which they pay a premium. New competitors have about doubled this bad-credit price premium:

[14] Tr. 1 at 91.



Nord Pool

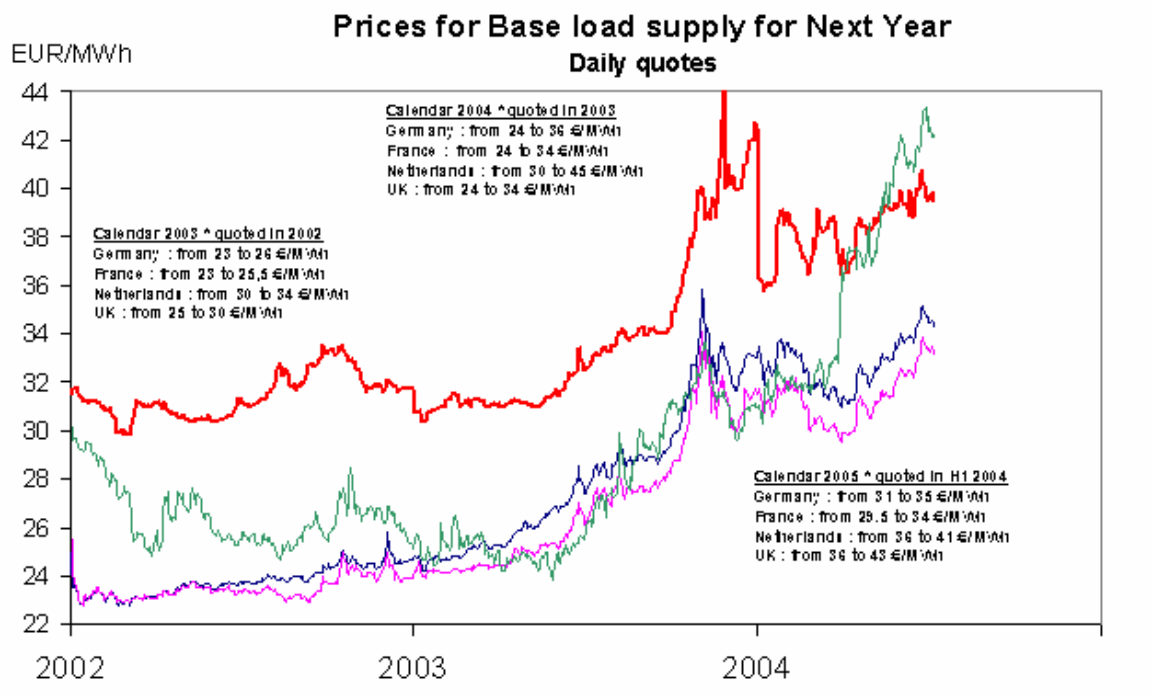
In a place that was once promoted as a model of deregulation, residential electricity prices in Norway spiked 131 percent between the winters (first quarters) of 2002 and 2003.[15] Nordic wholesale prices lept more than 600 percent between August 2002 and January 2003.[16] Before that, Nord Pool prices doubled from 2000 to 2001.[17]

Despite these high prices, price volatility means prices have not sustained the levels required to attract private investors to build needed capacity.[18] In this way, deregulation

[15] P. Fraser, Power Generation Investment in Electricity Markets at 74-75 (International Energy Agency, 2003).
[16] D. Finon *et al.* "Challenges when electricity markets face the investment phase," 32 Energy Policy 1355, 1356 (2004).
[1717] L. Bergman, "The Nordic electricity market – combined success or emerging problems?", 9 Swedish Economic Policy Review at 51, 71 (2002). Similar spikes occurred in 2001-2002 as overcapacity waned in the Netherlands, Spain, Germany, France. D. Finon *et al.* "Challenges when electricity markets face the investment phase," 32 Energy Policy 1355, 1358 (2004). In New Zealand, spikes occurred in 2001 and 2003. *Ibid.* Last month, prices had more than doubled compared to a year before. "Production cuts as electricity prices creep up," www.stuff.co.nz/stuff/0,2106,3327263a13,00.html (June 28, 2005).
[18] L. Bergman, "The Nordic electricity market – combined success or emerging problems?", 9 Swedish Economic Policy Review at 51, 77 (2002).

may have created a chronic capacity shortage that can only be resolved by government investment – which would continue to depress prices below that required for market-based investment.[19] It appears that adequate capacity from the private market requires periodic shortages. Here is the Catch-22 now faced by the Nordic system: "If the wholesale electricity market is genuinely competitive, prices will inevitably be volatile: even a small shortage will lead to very high prices, while a surplus will lead to a price collapse. To expect investors to build new plant on the basis of volatile price signals with no guarantees of how much power can be sold and no guarantees of the price does not seem reasonable.*** Unless major new capacity is built soon, the Nordic market will start to run short of capacity, reducing security of supply and causing major price increases."[20]

Similar volatility has been hurting industrial customers across Europe:[21]



At retail, Swedish prices by new entrants climbed 41 percent in 2002 as compared to 2001 – somewhat faster than Nordic wholesale prices in the period. The difference may be explained in part on increased retail market concentration – the largest Swedish electricity retailer has doubled its market share and the largest three retailers together

[19] D. Finon *et al.* "Challenges when electricity markets face the investment phase," 32 Energy Policy 1355, 1359, 1361 (2004). *Accord*, F. E. Banks, "Economic Theory and the Failure of Electricity Deregulation in Sweden," 15 Energy & Environment 25 (2004).

[20] S. Thomas, "Electricity industry reforms in smaller EU countries: Experience from the Nordic region" (Public Services International Research Unit, October 2004).

[21] International Federation Of Industrial Energy Consumers, "An analysis of the current dysfunctioning of the wholesale market in major parts of the EU" (September 2004). From top to bottom, the lines represent industrial prices in the Netherlands, the UK, Germany, and France for years beginning April 1.

control 70 percent of the market.[22] "[T]he retailing market may be less competitive than anticipated."[23]

Conclusion

As a broad spectrum of interests,[24] including labor, utilities, traders, and low-income and residential consumer organizations[25] agreed, "The overall objective of restructuring was and remains to produce real benefits for all customers." Furthermore, it is the Commonwealth's legislative policy that

- "Affordable electric service should be available to all consumers on reasonable terms and conditions,"[26] and
- "the restructuring of the existing electricity system should not undermine the policy of the commonwealth that electricity bills for low income residents should remain as affordable as possible."[27]

By these Massachusetts tests, the above-described experiments in retail residential electricity deregulation are failures.

Price stability

Commissioner Keating observed "what do customers want? They want reliability, price stability, and affordability, … [and] we have a special group of clients, the low-income and the fixed-income people.[28]

As NStar's Technical Session exhibits demonstrated, lengthening the procurement contract term[29] can add to price stability[30] while still tracking the market (represented in NStar's exhibits as "current methodology") with some accuracy. NStar's exhibits compare one-year (Exhibit 2) with two-year (Exhibit 3) procurements:

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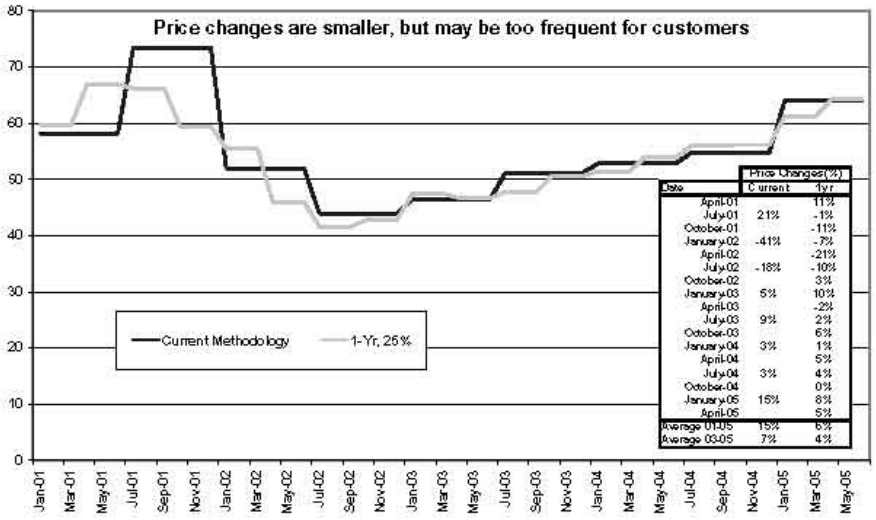
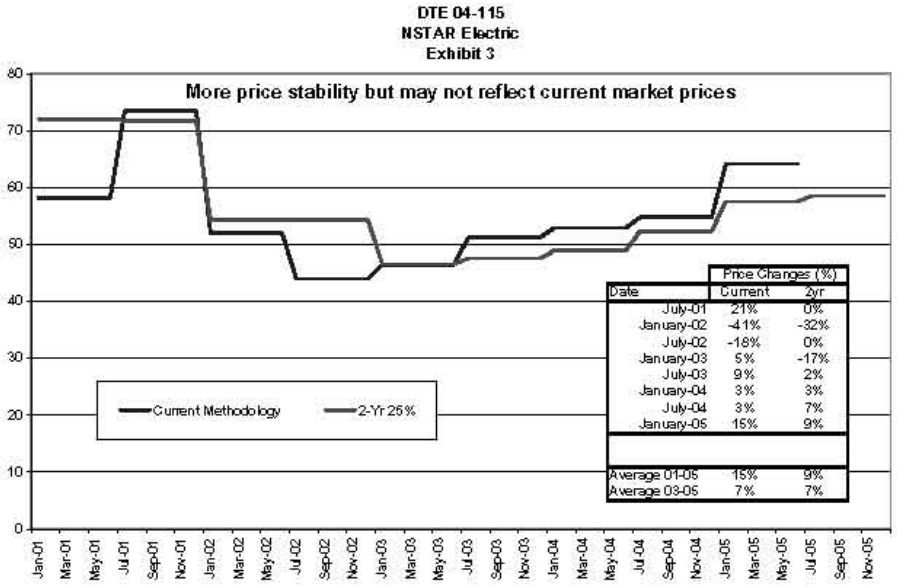
[22] L. Bergman, "The Nordic electricity market – combined success or emerging problems?", 9 Swedish Economic Policy Review at 51, 81, 83-85 (2002).
[23] *Id.* At 85.
[24] Massachusetts Community Action Program Directors' Association, Inc. (MASSCAP), Massachusetts Energy Directors Association, Action Energy, Massachusetts Union of Public Housing Tenants, MASSPIRG, Utility Workers Union of America, TransCanada Power Marketing, Sempra Energy Trading, NSTAR, and Western Massachusetts Electric Co.
[25] Letter to Hon. Michael W. Morrissey, Senate Chairman, and Hon. Daniel E. Bosley, House Chairman, Joint Committee on Government Regulations (June 9, 2004).
[26] St. 1997, c. 164, sec. 1(b).
[27] St. 1997, c.164, sec. 1(n).
[28] Tr. 1 at 220. "We have to get away from the notion that basic service should be some kind of mean and nasty service that's designed to punish people who don't pick another supplier." Assistant Attorney General Rogers, Tr. 1 at 42.
[29] At least to two years, although we and others would argue for a mix of contract lengths, some longer than two years.
[30] *E.g.*, Mr. Daly (NStar) at Tr. 1, pp. 15, 19.

DTE 04-115
NSTAR Electric
Exhibit 2





There is a separate consideration that argues for some long-term contracting: reliability. This was not thoroughly fleshed out in the Technical Conference, but a developer summarized the point succinctly:[31] "I don't think maintaining an exclusively short-term supply market for the bulk of the residential market is likely to generate sufficient long-term credit or long-term investment signals to maintain system reliability."

The standard objection to any long-term contracting is that it will lead to "stranded costs" because someday market prices will come down and long-term contracts will no longer be economic.[32] This is, at bottom, as much a speculator's argument as the argument it sets up and opposes. But the argument is not properly between the present short-term contracts and proposed long-term contracts. Rather, the comparison that should be made is between today's portfolio of exclusively short-term contracts and the proposed portfolio of a mix of purchases, spot, short, medium at various terms, and long.

Today's collection of 100% short-term contracts is just as risky for consumers as would be a collection of 100% long-term contracts, only in reverse. Long-term contracting incurs the risk that, later on, prices will fall. Short-term contracting runs the risk that

[31] Tr. 1 at 72 (Mr. Duffy of Energy Management Inc.).
[32] *E.g.*, Tr.1 at 128-129 (DOER Commissioner O'Connor); Tr. 1 at 172 (Mr. Daly of NStar), Tr. 1 at 173 (Ms. O'Connor of AIM).

prices will rise so that power that could have been available long-term on favorable terms is, when the long term arrives, more costly.

The solution to this conundrum is that noone should try to predict the future for residential electricity customers. Instead, efforts should be directed to protecting customers from all reasonably possible futures by hedging against a variety of possibilities – with some contracts that are short, some that are long, and others in-between.

The New York State model for jump-starting competition

As Chairman Afonso pointed out at the Technical Session, the most the Commonwealth should provide for potential competitors is "a level playing field, so that an affirmative choice, whether one wishes to make it or not, is available to the retail customers."[33] Or, as the aforementioned coalition put it: "Retail choice should be maintained and therefore customers should not be involuntarily assigned to retail suppliers (i.e., slammed)."[34]

In one way or another, virtually every retailer came to the Technical Session to beg for one or another dilution of quality utility service or protective rule in order to give them an advantage over the utilities that consumers appear to prefer: raise the utility price, change the price more frequently, change the price less frequently but more dramatically, relax the rules against slamming, subsidize one retailer expense or another with ratepayer money.[35]

The agenda shared by these proposals is the stimulation of competition – but not with an eye toward consumer benefits. As described at the outset of these Comments, there is ample evidence that retail residential electricity competition has not worked for the benefit of consumers and that, in fact, consumers have been hurt by it. At any economic discount rate one might reasonably choose, the evidence is strong that the costs of transition to residential competition are not worth whatever rewards there may someday be.

In this context, the New York State Orange & Rockland (O&R) model that some propose[36] is outstanding in its tipping of the playing field to benefit retailers while

[33] Tr. 1 at 185; *see* Tr.1 at 9.
[34] Letter to Hon. Michael W. Morrisey, Senate Chairman, and Hon. Daniel E. Bosley, House Chairman, Joint Committee on Government Regulations (June 9, 2004) from Massachusetts Community Action Program Directors' Association, Inc. (MASSCAP), Massachusetts Energy Directors Association, Action Energy, Massachusetts Union of Public Housing Tenants, MASSPIRG, Utility Workers Union of America, TransCanada Power Marketing, Sempra Energy Trading, NSTAR, and Western Massachusetts Electric Co.
[35] *E.g.*, monthly rates, quarterly rates, semi-annual rates, annual rates (Tr. 1 at 185. 216, 222), consumer-subsidized retail auctions (Tr. 1 at 186), protections against bad debt (Tr. 1 at 187-188, 222, 252-256, 265-266), allow customers to break their agreements with utilities – but presumably not their agreements with retailers – without penalty (Tr. 1 at 188-189), utility marketing to potential customers (Tr. 1 at 189-190, 197, 203-206), relax anti-slamming protections (Tr. 1 at 190-193).
[36] Tr. 1 at 230 *et seq.*

providing no evidence of consumer benefit. In essence, O&R has been enlisted to abuse the trust consumers place in it by, at every opportunity, encouraging consumers to switch to a retailer. This is done by mailers, at the time of opening a new account, and even when a customer calls for another purpose.[37] The inducement is sold as a seven percent discount but is in fact a less-than-one percent annual rate reduction, concentrated over two months and partially financed with ratepayer funds. After the two months, the customer must take an affirmative action to avoid whatever unregulated rate the retailer plans to charge. This real rate is not disclosed at the time of the switch and it is not even clear that the rate must be disclosed to the consumer at the end of the two-month period.[38] Indeed, while there is lots of touting of how many have made a switch under this program,[39] there is an ominous silence about how beneficial the switch has ultimately been to consumer wallets. Here is the New York regulator's defence: "Real choice 'does not mean that ESCOs must provide electricity at a lower price than the regulated utilities.' "[40] Stripped to its essence, this is a scheme to trick consumers into signing up for a retailer's electricity service without knowing what the price will be. As Massachusetts Assistant Attorney General Rogers summarized, "In New York we have an elaborate bait-and-switch program going on."[41]

[37] Tr. 1 at 233-234 (Ms. Rodriguez of National Grid).
[38] B. W. Radford, "Upstate Uproar," Public Utilities Fortnightly at 20 (July 2005).
[39] *E.g.*, NGrid exh. For Technical Conference ("Comments of National Grid," June 20, 2005) at 4.
[40] New York State Department of Public Service assistant counsel Jane Assaf in B. W. Radford, "Upstate Uproar," Public Utilities Fortnightly at 20, 22 (July 2005).
[41] Tr. 1 at 42.

Conclusion

Electricity is unlike any other consumer good or service – it is essential to life and has no substitute. That is why so much attention is paid to the economics of its generation and delivery. While competition is a vigorous driver of much of our economy, it is a tool and not an objective. "Default Service provided by local utilities may be the only viable energy option for small, residential and low-income customers for the foreseeable future; such service provides a valuable means of delivering the benefits of the wholesale competitive market to those customers, and should continue to be offered to them."[42]

This Commission has been very careful to maintain a level playing field that neither subsidizes nor discourages competitors. MASSCAP is grateful and urge that the Commission continue to maintain this care. As part of this balance, and in an effort to stabilize residential electricity rates, we appreciate the Commission's consideration of procurement terms and urge it to consider a portfolio of contract lengths that is not focused on any one length.

Respectfully submitted,

Massachusetts Community Action Program Directors' Association, Inc.,
by its attorney

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978-283-0897
JerroldOpp@DemocracyAndRegulation.com

Dated: July 22, 2005

[42] Letter to Hon. Michael W. Morrisey, Senate Chairman, and Hon. Daniel E. Bosley, House Chairman, Joint Committee on Government Regulations (June 9, 2004) from Massachusetts Community Action Program Directors' Association, Inc. (MASSCAP), Massachusetts Energy Directors Association, Action Energy, Massachusetts Union of Public Housing Tenants, MASSPIRG, Utility Workers Union of America, TransCanada Power Marketing, Sempra Energy Trading, NSTAR, and Western Massachusetts Electric Co.